

# TALKING RESILIENCY

AN INTERVIEW WITH BARBARA KIBBE AND RUTH NORRIS

*In late 2015, Barbara Kibbe, Director of Organizational Effectiveness for the S. D. Bechtel, Jr. Foundation, and consultant Ruth Norris discussed the topic of organizational resiliency. Bob Tobin of the communications firm Williams Group prompted their interaction and compiled their remarks.*

## **Why is the S. D. Bechtel, Jr. Foundation focused on resiliency?**

**BARBARA KIBBE:** Every funder should focus on resiliency. It's rare for a foundation to commit to supporting an organization indefinitely. Unless the work we support can be completed during the grant period, we need to think about how it will continue after our funding ends. Better yet, we should think about how the work will adapt and grow, continuing to deliver value even as conditions and context change. This Foundation is planning to spend down over the next five years, and is committed to making a difference on challenges that will take much longer than that to resolve. So the resiliency of our grantees is crucial. In some cases, the Foundation is supporting grantees to ramp up efforts in a major way, to launch new initiatives, or to form new partnerships to accomplish big things in a relatively short amount of time.

**RUTH NORRIS:** That kind of change and growth is powerful but also disruptive.

**BK:** That's why we need to make sure that the organizations and networks we support are sufficiently resilient. They need to be able to do two things – deploy significant resources in the short term, and continue to succeed and thrive after the Foundation is no longer here to support them.

## **Is organizational resiliency different from what we generally think about as organizational capacity? If so, how?**

**BK AND RN:** Yes!

**RN:** Let's start with a look at capacity. An organization can have many different kinds of capacity – technical capacity to implement a program, for example, or leadership capacity to exercise influence in its field. Every organization will be stronger in some areas than in others. The most effective leaders know this and work to build needed capacities accordingly. Related, we also know that an organization's skills and abilities will change over time as key people come and go, and through new developments in its field. So the need to focus on a given capacity evolves over time.

Resiliency is a different kind of capacity. We define organizational resiliency as the capacity to respond effectively to change, to adapt successfully to new and unforeseen conditions and circumstances – and to seize opportunity. More specifically, resiliency is different from other capacities in two fundamental ways. It is different in scope, as it has to be imbued across the entire organization, whereas other capacities might be centered in a particular area or sub-group within the whole. Resiliency is also different in time. The need for any other capacity will heighten or diminish at a given point, whereas resiliency is a capacity that must always be sufficiently present and alive in an organization.

**BK:** Resiliency is about weathering changes over time, it's about adapting to address challenges or opportunities. An organization is ready for the long haul when it is in tune with its internal and external contexts, when it develops capacity on a continuous basis, and when it practices adaptation as part of its culture.

### **Aren't all healthy organizations also resilient?**

**BK:** Not necessarily. An organization can be in great financial shape one year and in crisis the next, if it relies too heavily on one or two revenue streams. An executive transition can proceed smoothly and advance an organization to a new level of achievement, then become disruptive and damaging if the board and staff leaders have not prepared to sustain this new level. Events in the field over which an organization has little control can offer opportunities for reflection, learning, and new strategies; these events can also set off cycles of crisis management that negatively affect outcomes. Looking at organizational resiliency can offer insights into how well or badly the organization might fare in the face of change.

**RN:** Organizations are vulnerable if they assume that present success equates to the ability to adapt and succeed amidst unforeseen challenges tomorrow.

### **We are referencing “organization” in this conversation. Does resiliency only have applicability at the organizational level?**

**BK:** We encourage, and hope that, departments, institutes, agencies – all groups that care about the future of their work – will be in active dialogue and have a purposeful intent to build resiliency. Most educational, environmental, and other challenges society faces are long-term in nature, and we'd love to see resiliency become part of the fabric of any unit that wants to advance its work in a sustainable fashion.

### **What indicates that an organization is resilient?**

**RN:** The Foundation has published a brief [Resiliency Guide](#) dealing with seven key factors: a culture of learning; talent and leadership; the ability to think outside-in when considering external context; the ability to plan and execute; a solid reputation and effective communications; meaningful partnerships and alliances; and sound financial footing.

**BK:** When engaging with any grantee, there are specific things we look for that either reassure us that the organization is indeed resilient, or alert us that we need to look further. For example, is the organization very dependent on a single individual, perhaps its founder, or does it have leadership at many levels? Does it have a track record of accomplishing what it sets out to do? Are the staff and board members with whom we interact able to clearly articulate the logic and expected results of their participation in specific network or coalition activities? We discover these things through conversations as we conduct due diligence in grantmaking, and on a regular basis as we engage with grantees once a grant is made.

**RN:** The *Resiliency Guide* includes many practical considerations like those Barbara just described. Any organization can use it to help prompt their thinking – and dialogue.

## As a funder, how would you know if a grantee was strong or weak in terms of the resiliency factors? For example, what would indicate whether an organization understands the context for its work?

**BK:** As we review documents and talk with staff and board of the grantee, we ask not only about their own programs, but about how that work fits in with the efforts of other leading organizations in their field. We expect them to know their counterparts at related organizations, and to have something to say about their own strengths relative to others. We are especially interested in their thinking about external opportunities and threats – not just what is currently on the horizon, but about how other plausible developments might affect their work and strategy. We ask about their practices aimed at spotting opportunities and threats. And we ask about consultations with advisors and colleagues who are positioned to pick up on trends that might not be visible to those inside the grantee organizations who are immersed in the day-to-day work.

## What is your approach to strengthening organizational resiliency?

**RN:** First, we talk about resiliency with the grantee. We explore their understanding of the issues they may experience related to resiliency and their plans for addressing these issues. Opportunities for enhancing resiliency are often taken into account in the size, timing, purpose, and structure of a grant. There might be matching requirements or other conditions for release of payments. At times, we include check-ins on resiliency concerns as part of grant reporting. And, in some cases, grants include specific support for efforts to build a grantee's resiliency. Overall, we work with grantees to ensure that they will not be overly dependent on the Foundation once its support is concluded.

**BK:** In a 2015 piece entitled *Strengthening Nonprofit Capacity*, GEO provides a useful framework for thinking about effective capacity building. It suggests that capacity building should be: first, *contextual* and tailored to meet the unique needs of grantees; second, *continuous* by being grounded in a long-term perspective, acknowledging that transformations don't take place overnight, and that the need for capacity building never really goes away; and, third, *collective* by engaging multiple levels of the organization, other grantmakers, and the field to secure buy-in, build deeper leadership, and provide efficiencies of scale. The Foundation strives to follow these three "C's" and we see resiliency as a particularly important part of overall organizational capacity. We don't believe in a one-size-fits all model and instead we collaborate closely with grantees to align capacity-building goals to their strategic objectives.

## How did you develop the Resiliency Guide?

**RN:** We began by reviewing a number of existing assessment tools and any articles, books, and reports we could find that touched on organizational resilience.

**BK:** The literature is surprisingly thin and mostly focused on crisis management or on individual or ecosystem resiliency, rather than on organizational resiliency. Armed with what there was to read, and our own decades of experience in nonprofit capacity building, we developed a list of seven characteristics of resilient organizations and vetted it with more than 30 experts in the field. This included organizational development experts and consultants, colleagues in the funding community, and grantees.

In 2013, Foundation program officers began using these seven factors to guide discussions with grantees in the proposal development process. After more than a year of piloting the tool, we engaged consultants from the Monitor Institute to conduct a retrospective review of a range of the Foundation's capacity-building grants, and we also asked them to collect feedback from program officers and grantees on the *Resiliency Guide* version 1.0. The current 2.0 version of the guide takes into account the learning from Monitor's study. The Monitor Institute team also conducted a more comprehensive literature review and developed a rich [bibliography](#).

## RESILIENCY INSIGHTS

In 2015, the Foundation partnered with Monitor Institute to conduct a retrospective of capacity-building efforts and to advise on optimal use of the *Resiliency Guide*. This work produced a [bibliography](#) and these important insights for funders:

- **Pay particular attention to resiliency as organizations grow – especially if the growth is rapid.** Watch for gaps between an organization's current capacity and what it needs to achieve its goals. Any gap provides an opportunity to engage in candid dialogue. The resiliency factors of *Planning & Execution* and *Financial Footing* are obvious places to start. One project included in the retrospective involved an organization that appeared poised for growth, but lacked hard evidence for the effectiveness of its model. An external evaluation both validated the model and highlighted potential improvements, providing a better foundation for bringing it to scale. Another involved an organization about to increase its complexity as well as its size; this organization benefited from executive coaching preparing senior leadership to better manage necessary staff adjustments.
- **Exercise extreme caution in supporting the creation of a new organization.** When a societal need cannot be filled by an existing organization, funders are often tempted to help create one. But this approach is challenging, with the new organization at risk of financial dependence and more, including over-reliance on the funder's leadership, brand, and partnerships. The retrospective highlighted two cases demonstrating the importance of close monitoring of a new organization's resiliency, and readiness to intervene in case of financial or leadership crises, balanced by funder commitment to step back over time to empower the organization to deal with organizational challenges on its own.

- **When supporting a chapter or unit of a larger organization, take care to understand the relationship with the “home office.”** The fates of a national organization and its chapters are inextricably linked. Communication breakdowns and misalignment with respect to priorities can harm capacity and resiliency. The retrospective drew lessons from a strategic planning process that threatened to put a chapter too far ahead of its national program, and from another case where fundraising plans highlighted potential conflict about the ownership of key donor relationships. In a third case, a local office found its ability to advance organizational systems constrained by national mandates. In essence, while chapter organizations may face challenges with respect to any of the seven resiliency factors, they must also grapple with an eighth: the strength and alignment of their internal network.

These insights, and others, led to revisions in the *Resiliency Guide*, including more detailed explanations of the factors and the addition of resources to support their application.

### Is the *Guide* for grantmakers or grantees?

**RN:** It is for both. The *Resiliency Guide* was designed to facilitate conversations between grantmakers and grantees. We hope that these parties will benefit – individually and collectively – from open discussion of the ongoing challenges and benefits of investing in resiliency.

### Are you tracking progress on the resiliency of the Foundation's grantees?

**BK:** We are tracking the challenges, opportunities, and action plans identified through use of the *Resiliency Guide* with a range of Foundation grantees. Over time, we will be able to compare how different approaches may, or may not, have contributed to increasing capacity and resiliency. We plan to share what we learn with the field, and we expect to publish a version 3.0 in the next few years.

## Why are you sharing the *Guide* now?

**BK:** With more than a year of experience using it, and with the insights from added analysis of the Monitor Institute retrospective, we think this resource has relevance and value for the field.

**RN:** We will continue to use the *Resiliency Guide* to inform conversations with the Foundation's grantees. We are engaging in conversations with other foundations interested in using it as well. We hope that sharing it broadly will enrich conversations about resiliency in the broader foundation and nonprofit world, and we look forward to hearing about that experience.

## Are there times when the *Resiliency Guide* is not the right tool?

**RN:** It's not a tool for organizations in crisis. In that situation, a tool geared to the specific context (such as financial assessment or succession planning) is likely to be more useful.

**BK:** The *Resiliency Guide* will yield the highest return of insights if participants in the conversation have the time as well as the appetite to take a long-term view of three things: their work, their field, and their role in the field.

## What other tools do you use or admire?

**BK AND RN:** We frequently use the scenario planning frameworks outlined in *What If?*; the Monitor Institute's network effectiveness diagnostic and report, *Catalyzing Networks for Social Change*; the Nonprofit Finance Fund's tools for assessing [financial health](#); and governance resources and tools from [BoardSource](#) and [CompassPoint](#).

We also find the *Strong Field Framework* developed by the Bridgespan Group and The James Irvine Foundation to be very helpful in assessing the strength of a field. Other resources we admire are listed for each factor in the *Resiliency Guide*. And there is a wealth of good material accessible through the [bibliography](#) created by Monitor Institute as part of our resiliency work.

## Are you building anything else?

**BK:** We are working on resources for effective engagement of consultants by nonprofits and by foundations, as well as lessons learned about evaluation in the context of an exit or spend down. We will post early work and thinking on these topics later in 2016.

The Foundation is also in a partnership with The Atlantic Philanthropies and MASS Design, a nonprofit architecture and design firm, to conduct case studies of recent capital projects, and to develop a suite of tools to help funders and nonprofits assess the potential impacts and risks of capital projects – prospectively and retrospectively. More to come on that in 2016 as well.



#### **BARBARA KIBBE, DIRECTOR, ORGANIZATIONAL EFFECTIVENESS, S. D. BECHTEL, JR. FOUNDATION**

Barbara joined the Foundation as Director of Organizational Effectiveness in 2013. In this role, she is responsible for fostering a culture of continuous learning, improvement, innovation, and strategic risk-taking. Barbara works with program staff to enhance grantmaking practices for impact and to develop grantee effectiveness and sustainability. She comes to the Foundation with 25 years of experience in philanthropy as an executive, a consultant, a grantmaker, and a foundation program director working with family, private, corporate, and community foundations. Barbara is co-author of *Succeeding with Consultants* and *Grantmaking Basics*. In 2010, she co-authored *What's Next for Philanthropy*. She is a founder of Grantmakers for Effective Organizations (GEO), an organization dedicated to building knowledge, promoting learning, and encouraging dialogue on nonprofit and grantmaker effectiveness. Barbara holds a Bachelor of Arts degree in Art from Wagner College and a Juris Doctor degree from Brooklyn Law School.

#### **RUTH NORRIS, CONSULTANT**

Ruth Norris has three decades of experience in the field of nonprofit effectiveness. She has consulted with organizations throughout the world to develop systems, strategies, and skills for effective management, external communications, and financial sustainability. Her background is in conservation and sustainable development, and she has designed, worked with, and managed capacity-building programs at the Nature Conservancy, the David and Lucile Packard Foundation, Mexican Fund for Nature Conservation, the World Bank/Global Environment Facility, Management Systems International, Resources Legacy Fund, and the S. D. Bechtel, Jr. Foundation. She was a founder and board chair of the Institute for Conservation Leadership.

Her publications on nonprofit management include TNC's *Resources for Success/Recursos para Lograr el Exito* and Pact Publications' *IPG Handbook on Environmental Funds*.

She has a master's degree in environmental journalism from the University of Wisconsin, speaks Spanish and English, and lives in Santa Clara, California.

